

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE		PAGE OF PAGES 1 16	
2. AMENDMENT/MODIFICATION NO. M064		3. EFFECTIVE DATE See Block 16C		4. REQUISITION/PURCHASE REQ. NO.		5. PROJECT NO. (If applicable)	
6. ISSUED BY U. S. Department of Energy Office of River Protection P. O. Box 450, MS H6-60 Richland, WA 99352		CODE		7. ADMINISTERED BY (If other than item 6)		CODE	
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) CH2M HILL Hanford Group, Inc. PO Box 1500 Richland, WA 99352				(✓)		9A. AMENDMENT OF SOLICITATION NO.	
						9B. DATED (SEE ITEM 11)	
				✓		10A. MODIFICATION OF CONTRACT/ORDER NO. DE-AC27-99RL14047	
						10B. DATED (SEE ITEM 13) September 30, 1999	
CODE		FACILITY CODE					
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS							
<input type="checkbox"/> The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers				<input type="checkbox"/> is extended, <input type="checkbox"/> is not extended.			
Offerors must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified							
12. ACCOUNTING AND APPROPRIATION DATA (if required) N/A							
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.							
(✓) A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT/ORDER NO. IN ITEM 10A.							
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).							
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: X Section H, Clause H.1, and by Mutual Agreement							
D. OTHER (Specify type of modification and authority)							
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign and return <u>2</u> copies to the issuing office.							
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) The purpose of this Modification is to revise Section J, Appendix D, with four new replacement Performance Based Incentives for FY 2003-2006. DOE and Contractor recognize and agree that additional changes to contract language will be required to fully integrate the new PBIs and some new concepts imbedded therein into the contract. The DOE and Contractor commit that they will work diligently within the next 30 days to reach agreement on new contract language.							
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.							
15A. NAME AND TITLE OF SIGNER (Type or print) Edward S. Aromi, President				16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Roy J. Schepens			
15B. CONTRACTOR/OFFEROR		15C. DATE SIGNED		16B. UNITED STATES OF AMERICA BY		16C. DATE SIGNED	
(Signature of person authorized to sign)				(Signature of Contracting Officer)			

Block 14 Continuation:

Description of the Change:

- a. Under Section J, LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS, Appendix D, "Performance Based Incentives," modify sentence 3, as follows:

Delete:

Table D-1 is a summary of the fiscal year (FY) 2001 through 2006 PBIs, including a list of potential SSPBI areas.

Replace with:

Table D-1 (Revision 6) is a summary of the fiscal year (FY) 2001 through 2006 PBIs, including a list of potential SSPBI areas. These PBIs were only effective during FY 2001 and FY 2002. Effective October 1, 2002 all existing PBIs prior to FY 2003 are cancelled and remaining unearned fee is reallocated in accordance with Contract Clause H.1(e). The new PBIs for FY 2003 through FY 2006 are included in this section. These include: PBI-1, *Store*; PBI-2, *Waste Treatment Plant Production Support (Feed Delivery and Product Receipt)*; PBI-3, *Single-Shell Tank (SST) Retrieval and Closure*; and PBI-4, *Supplemental Waste Treatment and Disposal*; each dated September 30, 2002.

- b. Under Section J, LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS, Appendix D, "Performance Based Incentives," incorporate the attached PBI-1, *Store*; PBI-2, *Waste Treatment Plant Production Support (Feed Delivery and Product Receipt)*; PBI-3, *Single-Shell Tank (SST) Retrieval and Closure*; and PBI-4, *Supplemental Waste Treatment and Disposal*; each dated September 30, 2002.

PBI - 1
PBI Title: Store

Performance Fee available and assigned to this PBI: \$3,000,000

ORP Manager:	ORP POC:	CHG Manager:	CHG POC:
John Swailes	Delmar Noyes	D. Allen	J. McDonald

Desired Endpoint/Outcome: Complete Interim Stabilization of Single Shell Tanks.

Fee Payment Schedule:

Upon completion of each fee bearing milestone set forth herein contractor will be paid either provisional fee or incremental fee, in accordance with the clause H.2 "Provisional and Incremental Payments of Fee." Whether a milestone entitles Contractor to provisional fee or incremental fee is set forth in the milestone discussions contained herein.

Fee Bearing Milestones:

1. Complete Interim Stabilization of all Single-Shell Tanks (SSTs) Performance Fee: \$3,000,000

Consistent with the milestone completion dates in the Interim Stabilization Consent Decree no. CT-99-5076-EFS (as may be amended), Contractor shall complete Interim Stabilization of the remaining 14 SSTs listed in the Consent Decree. This includes meeting Consent Decree reporting requirements associated with Interim Stabilization.

a. Contractor shall earn \$75,000 of incremental fee per each tank interim stabilized for the following tanks:

1. AX-101
2. U-111

b. Contractor shall earn \$237,500 of incremental fee per each tank interim stabilized for the following tanks:

- | | | |
|-----------|-----------|------------|
| 1. S-102 | 5. BY-106 | 9. S-112 |
| 2. U-107 | 6. U-108 | 10. S-101 |
| 3. S-111 | 7. C-103 | 11. SX-101 |
| 4. SX-102 | 8. S-107 | 12. A-101 |

Additional Milestone Completion Criteria:

- Submit a letter within 10 working days after a tank pumping has been stopped in anticipation of meeting the interim stabilization criteria documenting the rationale for

shut down at that point. This letter, complete with supporting documentation (e.g. pumping records, interstitial liquid level measurements, material balance calculations, etc.) will be used by ORP to make a determination that the work is completed.

Government Furnished Services/Items

ORP will respond to all contractor submittals (e.g., AB, SARs, BCRs) required to complete this activity within 30 days provided the submittals are complete and ORP is provided with reasonable notice of the intent to submit.

Definitions

"Government Furnished Services/Items" are those work elements that the Department of Energy commits to perform to support the completion of this PBI. If DOE cannot provide GFS/I as described herein, then it shall be treated as a change in accordance with the clause entitled "Changes" in Section I of the contract.

Edward S. Aromi, President and General
Manager, CH2M HILL Hanford Group, Inc.

Date

David B. Amerine, Executive Vice President
And Deputy General Manager
CH2M HILL Hanford Group, Inc.

Date

John H. Swails, Assistant Manager for Tank Farms
U.S. Department of Energy, Office of River Protection

Date

Roy J. Schepers, Manager
U.S. Department of Energy, Office of River Protection

Date

PBI - 2

PBI Title: Waste Treatment Plant Production Support (Feed Delivery and Product Receipt)

Performance Fee available and assigned to this PBI: \$30,000,000

ORP Manager:	ORP POC:	CHG Manager:	CHG POC:
John Swailes	Delmar Noyes	J. Eacker	J. Van Beek/J. Biagini

Desired Endpoint/Outcome: HLW and LAW feed delivery systems ready to support WTP and supplemental treatment systems with sufficient demonstrated capacity. Waste staged for delivery to the WTP and supplemental treatment. Viable feed delivery sequence fully integrated with treatment capability. The first ILAW disposal system is completed at lower capital and life cycle cost levels. The first set of IHLW interim storage units are completed at lower capital costs.

Fee Payment Schedule:

Upon completion of each fee bearing milestone set forth herein, contractor will be paid either provisional fee or incremental fee, in accordance with the clause H.2 "Provisional and Incremental Payments of Fee." Whether completion of a milestone entitles Contractor to provisional fee or incremental fee is set forth in the milestone discussions contained herein.

Fee Bearing Milestones:

1. Waste Feed Delivery (Performance Fee: \$22,000,000)

- a. The Contractor shall develop a Waste Feed Delivery Project Implementation Plan (IP) for ORP concurrence that is based on Revision 1 of the RPP Systems Plan. The IP shall provide the Contractor's strategy for completing Waste Feed Delivery projects that balances planned WTP production rates, risk, and cost reduction. No fee is payable for this deliverable.
- b. The Contractor shall earn \$3,431,274 in incremental fee for completion of all Phase I upgrades in the AY/AZ/AW Tank Farms, and AN Tank Farm Upgrades by 9/30/03.
- c. Additional incremental or provisional fee earning milestones shall be developed upon completion of the IP. The Contractor shall complete retrieval systems, transfer pipelines, and tank farm modifications required to support hot-commissioning of the WTP and its continued operation. Specific physical work products and associated fee payments will be determined depending on the results agreed to in the IP.

2. IHLW Storage Capacity (Performance Fee: \$5,000,000)

The Contractor shall complete construction of a facility to provide storage capacity for 880 IHLW canisters by 9/30/06. The contractor shall also provide canister transportation equipment by this date.

Interim progress milestones have been developed to provide for incremental fee payments. These fee payments will be based on completed physical work products as follows:

- a. Contractor shall earn \$1,500,000 in incremental fee for completion of:
 1. fabrication of tubes, \$1,240,000 of incremental fee
 2. erection of required stacks, \$200,000 of incremental fee
 3. modification of the FFTF Pit \$60,000 of incremental fee
- b. Contractor shall earn \$3,500,000 in incremental fee for completion of construction.

Contractor shall forfeit \$1,750,000 of incremental fee for completion of construction if Project W-464 Total Project Cost (TPC) exceeds \$84,000,000, which represents 80% of the estimated amount included in the 9/1/02 MB11 baseline file (approximately \$105 million). Contractor shall forfeit \$3,500,000 of incremental fee for completion of construction if TPC exceeds \$95,000,000, which represents 90% of the Project W-464 TPC estimate in the MB11 baseline file.

3. ILAW Disposal Capacity (Performance Fee: \$3,000,000)

a. The Contractor shall complete construction of a facility to provide cost-effective ILAW container disposal to support WTP processing by 9/30/06. An Alternatives Generation Analysis (AGA) for ILAW disposal shall be performed, which considers total life cycle costs and an integrated approach to low level waste disposal. The Contractor shall evaluate all disposal options including, but not limited to, commercial, on-site disposal, off-site disposal, and governmental facilities. A recommendation from this AGA identifying the most cost effective path forward shall be submitted to DOE for approval by 1/31/03.

The ILAW container disposal facility shall have a minimum initial capacity of 13,000 to 15,000 or more ILAW containers. It shall also be expandable in units capable of disposing of 13,000 to 15,000 or more ILAW containers, to support all ILAW processing during the life of the WTP. The Contractor shall also provide sufficient numbers of transporters and cask trailers, not to exceed five each.

Interim progress milestones have been developed to provide for incremental fee payments. These incremental fee payments will be based on completed physical work products as follows:

1. Contractor shall earn \$1,000,000 in incremental fee for completion of:
 - a. site preparation, road construction, utility relocations, \$540,000 of incremental fee.
 - b. trench excavation, \$460,000 of incremental fee.
2. Contractor shall earn \$2,000,000 in incremental fee for completion of construction.

If ILAW disposal is provided by other than a newly constructed facility, then the Contractor shall provide to ORP a formal demonstration of readiness for disposal. If an alternate disposal path is utilized, the \$3,000,000 of incremental fee shall be reassigned to mutually agreed to milestones for the alternate disposal path.

Government Furnished Services/Items

ORP will respond to all contractor submittals (e.g., AB, SARs, BCRs) required to complete this activity within 30 days provided the submittals are complete and ORP is provided with reasonable notice of the intent to submit.

ORP will concur with the IP schedule for tank farm modifications and retrieval systems design and construction within 30 days of IP completion; and work with the contractor to gain approvals necessary to re-sequence and or revise project W-211 work activities. .

Commitments:

The Contractor shall:

- make fundamental changes in program logic and work performance,
- take actions to align Contractor organizations, work processes, etc. to achieve PBI outcomes,
- establish defensible technical, regulatory, and programmatic solutions,
- plan and lead all required internal and external discussions and interactions to achieve results incentivized in this PBI, and
- drive agreement within regulators and stakeholder groups for PBI outcomes.

The DOE-ORP will:

- work with the Contractor to gain reasonable access to the CSB vault area for construction activities consistent with project schedules.
- work with the Contractor to obtain Regulator approval to begin construction of the CSB modifications and ILAW disposal facility by March 2005.

- work with the Contractor to gain Regulator agreement to continue use of AP tank farm vent system without W-314 upgrades.
- work with the Contractor to gain Regulator agreement to continue use of SY tank farm transfer lines without E-525 upgrades.
- work with the Contractor to provide sufficient Line Item funding, within the FY03 ORP Budget Request, beginning in FY03 to support the accelerated schedule for design, procurement, and construction of retrieval and disposal systems.

Definitions:

"Government Furnished Services/Items" are those work elements that the Department of Energy commits to perform to support the completion of this PBI. If DOE cannot provide GFS/I as described herein, then it shall be treated as a change in accordance with the clause entitled "Changes" in Section I of the contract.

Edward S. Aromi, President and General
Manager, CH2M HILL Hanford Group, Inc.

Date

David B. Amterine, Executive Vice President
and Deputy General Manager
CH2M HILL Hanford Group, Inc.

Date

John H. Swailes, Assistant Manager for Tank Farms
U.S. Department of Energy, Office of River Protection

Date

Roy J. Schepens, Manager
U.S. Department of Energy, Office of River Protection

Date

PBI-3

PBI Title: Single-Shell Tank (SST) Retrieval and Closure

Performance Fee available and assigned to this PBI: \$32,000,000

ORP Manager:	ORP POC:	CHG Manager:	CHG POC:
J. Swailes	D. Noyes	D. Allen	R. Wilson, M. Jarayssi

Desired Endpoint/Outcome: Complete interim retrieval and closure activities that meet and/or exceed requirements established in the Hanford Federal Facility Agreement and Consent Order (HFFACO or TPA) M-45 Milestone Series. This work scope is inclusive of the M-45-00C change established in August 2002. The contractor is responsible for establishing the technical and regulatory pathway for tank farm retrieval and closure (including NEPA, M-45 requirements, 435.1 requirements, etc.). Additionally, the contractor will develop and demonstrate the retrieval and closure capability to accomplish the commitments in the Hanford Performance Management Plan (HPMP) including the use of risk-informed approaches to properly align the retrieval, residuals treatment, and closure approaches with the risk associated with the wastes in each tank.

Fee Payment Schedule:

Upon completion of each fee bearing milestone set forth herein, contractor will be paid either provisional fee or incremental fee, in accordance with the clause H.2 "Provisional and Incremental Payments of Fee." Whether a milestone entitles Contractor to provisional fee or incremental fee is set forth in the milestone discussions contained herein.

Fee Bearing Milestones:

1. Retrieve and Close M-45 High-Risk SSTs (S-112, S-102, C-104). (Performance Fee: \$4,500,000)

Retrieve and interim close "High-Risk" tanks as identified in the M-45 series milestones. Retrieval and interim closure actions will meet or exceed TPA schedule requirements. Items a through e below will entitle Contractor to incremental fee payments.

"Interim closure" shall have the meaning set forth in TPA milestone change request M-45-03-02 for milestone M-45-00-C.

"Meeting or Exceeding" retrieval and interim closure requirements include, but are not limited to, removal of waste, closed system performance, and waste management area risk metrics.

- a. Complete retrieval of S-112 and earn \$1,000,000 of the above performance fee.
- b. Complete interim closure of S-112 and earn \$1,000,000 of the above performance fee.
- c. Complete retrieval of S-102 and earn \$1,000,000 of the above performance fee.
- d. Complete interim closure of S-102 and earn \$1,000,000 of the above performance fee.
- e. Complete retrieval of C-104 and earn \$500,000 of the above performance fee.

2. Remove Waste/Demonstrate Interim Closure of C-106 and Demonstrate Interim Closure of 4 Additional Low-Risk, Low-Volume Tanks (e.g., C-201, C-202, C-203, C-204). (Performance Fee: \$6,000,000)

Remove waste from C-106 to support Demonstration Interim Closure as defined in the M-45 series milestones (e.g. M-45-00C change request). Remove waste from four additional low-risk, low-volume interim closure demonstration tanks to the levels required for interim closure. Items a through c below will entitle Contractor to incremental fee payments.

- a. Complete removal of waste from C-106 to levels required for closure and earn \$1,000,000 of the above performance fee.
- b. Complete demonstration interim closure of C-106 and earn \$1,000,000 of the above performance fee.
- c. Complete demonstration interim closure of C-201, C-202, C-203, C-204 by 9/30/2004 earn \$1,000,000 in incremental fee for each tank interim closed (Total available - \$4,000,000).

Completion of interim closure for these 4 tanks is defined as the completion of necessary field project activities required by the approved Single Shell Tank closure plan consistent with HFFACO milestone M-45.

3. Interim Close Additional High Level Waste Tanks. (Performance Fee: \$19,000,000)

- a. Interim close additional high level waste tanks by 09/30/2006, earn \$1,000,000 of incremental performance fee for each tank.
- b. An incremental acceleration fee of \$2,000,000 per tank will be earned for tanks interim closed over and above 19 in this item and completion of interim tank closures in item 1 and 2 above.

Completion of interim closure is defined as the completion of necessary field project activities required by the approved Single Shell Tank closure plan consistent with HFFACO milestone M-45.

4. Interim close individual SST Tank Farms. (Performance Fee: \$2,000,000)

- a. Interim close individual SST Tank Farms in accordance with applicable requirements (e.g., HFFACO, DOE 435.1, etc.) by 09/30/2006, earn \$1,000,000 incremental fee for each tank farm closed. (Total available - \$2,000,000).
- b. An incremental acceleration fee arrangement will be considered for tank farms closed over and above 2.

“Interim Close a Tank Farm” is defined as interim closing all SSTs in a Tank Farm, or interim closing all the SSTs in a Waste Management Area.

5. Complete interim stabilization of 244-AR vault. (Performance Fee: \$500,000)

a. Complete interim stabilization of 244-AR vault in accordance with M-45-11A by 09/30/03 and earn \$500,000.

Government Furnished Services/Items

Provide DOE review/approval of DOE 435.1 deliverables within 60 days of receipt (30-day review/comment + 30 day final approval) except as specified below.

Provide DOE review/approval of TPA deliverables within 60 days of receipt (30-day review/comment + 30 day final approval) except as specified below.

ORP will respond to all other contractor submittals (e.g., AB, SARs, BCRs) required to complete this activity within 30 days provided the submittals are complete and ORP is provided with reasonable notice of the intent to submit.

DOE will review /approve the DOE 435.1 Tier 1 Closure Plan and the Tier 2 Closure Plan (or equivalent) within 60 days of contractor submittal.

ORP will review /approve within 45 days all contractor submitted Performance Assessments.

ORP will approve all WIR determinations within 60 days of contractor submittal.

ORP will review/approve the Composite Analysis (1998) to support retrieval/closure activities.

ORP will initiate Closure Environmental Impact Statement (EIS) support activities accordingly to facilitate issuance of the EIS and the Closure Record of Decision (ROD), within the agreed to schedule.

Commitments:

The Contractor shall:

- make fundamental changes in program logic and work performance,
- take actions to align Contractor organizations, work processes, etc. to achieve PBI outcomes,
- establish defensible technical, regulatory, and programmatic solutions,
- plan and lead all required internal and external discussions and interactions to achieve results incentivized in this PBI, and
- drive agreement within regulators and stakeholder groups for PBI outcomes.

The DOE-ORP will:

- work with the Contractor and the Regulators to allow appropriate retrieval technology and to define the end point of retrieval activities necessary for interim closure on a risk basis.
- work with the Contractor and regulators to cause the redefinition of the SST retrieval sequence to allow the sequence of retrieval deemed necessary to meet milestones.
- work with the Contractor and regulators to allow composite Functions & Requirements Documents to bound similar waste and retrieval activities.
- work with the Contractor and regulators to allow minimal or no Leak Detection Monitoring and Mitigation requirements for each retrieval activity.
- work with the Contractor and regulators to allow in-process sampling to satisfy data requirements for risk assessments, retrieval, and closure activities.

Definitions:

"Government Furnished Services/Items" are those work elements that the Department of Energy commits to perform to support the completion of this PBI. If DOE cannot provide GFS/I as described herein, then it shall be treated as a change in accordance with the clause entitled "Changes" in Section I of the contract.

Signature Block

Edward S. Aromi, President and General
Manager, CH2M HILL Hanford Group, Inc.

Date

David B. Amefine, Executive Vice President
And Deputy General Manager
CH2M HILL Hanford Group, Inc.

Date

John H. Swailes, Assistant Manager for Tank Farms

Date

Performance Based Incentive Number PBI-3
Revision No. 0 Date: 9/30/03

U.S. Department of Energy, Office of River Protection

Roy J. Schepens, Manager
U.S. Department of Energy, Office of River Protection

Date

PBI-4

PBI Title: Supplemental Waste Treatment and Disposal

Performance Fee available and assigned to this PBI: \$7,000,000

ORP Manager:	ORP POC:	CHG Manager:	CHG POC:
John Swailes	Delmar Noyes	D. Allen	J. Kristofzski

Desired Endpoint/Outcome: The objective of this PBI is to cost-effectively retrieve, treat, and dispose of tank waste using non-WTP supplemental treatment techniques such that:

1. A net savings is achieved relative to the DOE established costs of treating the wastes via vitrification in the WTP,
2. All retrieved tank waste completes treatment by 2028 via a combination of supplemental non-WTP treatment and treatment in the WTP, and
3. Wastes with high sulfate, chromate, or other chemical constituents that limit overall waste loading in glass are preferentially treated outside the WTP resulting in higher net WTP throughputs and efficiencies.

Fee Payment Schedule:

Upon completion of each fee bearing milestone set forth herein contractor will be paid either provisional fee or incremental fee, in accordance with the clause H.2 "Provisional and Incremental Payments of Fee." Whether a milestone entitles Contractor to provisional fee or incremental fee is set forth in the milestone discussions contained herein.

Fee Bearing Milestones:

1. Treat and Disposition TRU and LAW. (Performance Fee: \$5,000,000)
 - a. The Contractor will earn \$5,000,000 in incremental fee for removal and treatment of 1,000,000 gallons by 9/30/06 of either TRU sludge or other low-level Tank Farms waste that can be removed from the tanks, treated, and disposed of as non High Level waste.
 - A minimum of 750,000 gallons of TRU materials shall be included in the 1,000,000 gallons required for completion of this item.
 - TRU type materials shall be treated and stored for eventual shipment to WIPP.
 - LAW type materials shall have been treated and disposed either on or off-site.
 - The waste form to be produced will not be HLW and will be classifiable as either low-level waste, low-level mixed waste, or TRU waste based upon the provisions, criteria, and definitions set forth in DOE M 435.1-1.
 - b. Incremental acceleration fee of \$800,000 shall be paid to the Contractor for each 100,000 gallons of additional waste that is retrieved and treated. Additional wastes can be either TRU

type materials or LAW type materials, with no restrictions on the balance between the waste types making up each 100,000 gallon increment.

2. Retrieve and Consolidate TRU Waste From DSTs. (Performance Fee: \$2,000,000)

a. The Contractor shall earn \$1,000,000 in incremental fee for each DST (up to a total of 2 DSTs) containing TRU that is retrieved to the extent economically practical for consolidation and the tank is subsequently released for other uses accelerating risk reduction and early closure, including SST retrieval, WTP feed delivery, and supplemental treatment.

Government Furnished Services/Items

Provide DOE review/approval of DOE O 435.1 deliverables within 60 days of receipt (30-day review/comment + 30 day final approval) except as specified below.

Provide DOE review/approval of TPA deliverables within 60 days of receipt (30-day review/comment + 30 day final approval) except as specified below.

ORP will respond to all other contractor submittals (e.g., AB, SARs, BCRs) required to complete this activity within 30 days provided the submittals are complete and ORP is provided with reasonable notice of the intent to submit.

ORP will review/approve determinations associated with TRU waste within 60 days of contractor submittal.

ORP will provide draft RH-TRU WIPP waste acceptance criteria to Contractor by 10/30/02.

DOE will work with the Contractor to accept TRU tank waste into existing site facilities for interim storage.

Commitments:

The Contractor shall:

- make fundamental changes in program logic and work performance,
- take actions to align Contractor organizations, work processes, etc. to achieve PBI outcomes,
- establish defensible technical, regulatory, and programmatic solutions,
- plan and lead all required internal and external discussions and interactions to achieve results incentivized in this PBI, and
- drive agreement within regulators and stakeholder groups for PBI outcomes.

The DOE-ORP will:

- work with the Contractor and regulators to allow minimal or no Leak Detection Monitoring and Mitigation requirements for each retrieval activity.

Definitions

"Government Furnished Services/Items" are those work elements that the Department of Energy commits to perform to support the completion of this PBI. If DOE cannot provide GFS/I as described herein, then it shall be treated as a change in accordance with the clause entitled "Changes" in Section I of the contract.

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Manager, CH2M HILL Hanford Group, Inc.

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